



PetraDiamonds

19 December 2017

LSE: PDL

**Petra Diamonds Limited**  
("Petra", "the Group" or "the Company")

## **FY 2017 Payments to Governments Report**

Petra Diamonds Limited publishes the Company's Payments to Governments Report for the year ended 30 June 2017 ("the Year" or "FY 2017") (the "Report").

### **About this Report**

This Report, which provides an overview of the payments to governments made by Petra Diamonds Limited, its subsidiaries and jointly controlled operations, is required under the United Kingdom's ("UK") Report on Payments to Governments Regulations 2014 (as amended) ("the Regulations"), which apply to large, UK-listed extractive companies. The Report aims to satisfy the Regulations as well as the Disclosure and Transparency Rules of the Financial Conduct Authority in the UK.

For the purposes of this Report, government includes any national, regional or local authority of a country, and includes a department, agency or entity that is a subsidiary of a government. It excludes any payments to State Owned Enterprises to procure goods or services from these enterprises, typically consisting of utilities such as water and electricity.

This report is also available on the Company's website at:  
[www.petradiamonds.com/investors/results-reports/](http://www.petradiamonds.com/investors/results-reports/).

### **Reporting threshold**

This Report includes payments made which individually or collectively exceed GBP 86,000 within a financial year, as per the Regulations, however payments below this threshold may also be included.

### **Types of payments**

#### *1. Corporate taxes*

These are taxes paid by Petra on its income and profits in accordance with legislation enacted in the applicable jurisdictions, but exclude taxes levied on consumption (e.g. VAT, personal income taxes and sales taxes). Payments are reported net of refunds.

#### *2. Mining and other license fees*

These are mining licenses and regional levies paid by Petra in accordance with legislation enacted in the applicable jurisdictions.

### 3. Royalties

Royalties levied on the sale of rough diamonds. South African royalties are calculated on a sliding scale based on profitability and Tanzanian royalties are levied at a fixed rate. For more information, visit <https://www.petradiamonds.com/about-us/who-we-are/where-we-operate/>.

### 4. Infrastructure improvements

These include Community Social Investment and Local Economic Development related expenditure on permanent infrastructure, which is mandatory spend required of the Company as per its Social and Labour Plans in South Africa.

### 5. Other

Payments towards custom & excise duties and property rates & taxes.

There were no reportable payments to a government entity for production entitlements or signature, discovery or production bonuses during the Year.

## Payments per government

Total payments to governments under the Regulations amounted to US\$7.0 million in FY 2017 (FY 2016: US\$8.9 million).

## Payments per Country

Country	Expense Type (US\$ thousand) <sup>1,2</sup>					Total
	Corporate taxes	Mining and other license fees	Royalties	Infrastructure improvements	Other	
<b>South Africa</b>						
<i>National</i>			1,476			
<i>Local</i>				723	730	
<b>Total</b>						<b>2,929</b>

Country	Expense Type (US\$ thousand) <sup>1,2</sup>					Total
	Corporate taxes	Mining and other license fees	Royalties	Infrastructure improvements	Other	
<b>Tanzania</b>						
<i>Principal Secretary Ministry of Energy</i>			2,917			
<i>Tanzania Revenue Authority</i>	237				444	
<i>Energy and Water Utilities Authority &amp; Rural Energy Authority</i>					152	
<i>Zonal Mine Officer-Shinyanga</i>		331				
<b>Total</b>						<b>4,081</b>

## Payments by Mine

Cullinan	Expense Type (US\$ thousand) <sup>1,2</sup>					Total
	Corporate taxes	Mining and other license fees	Royalties	Infrastructure and development for the benefit of mining communities	Other	
SARS			340			
City of Tshwane					14	
Local Schools				263		
<b>Total</b>						<b>617</b>

Finsch	Expense Type (US\$ thousand) <sup>1,2</sup>					Total
	Corporate taxes	Mining and other license fees	Royalties	Infrastructure and development for the benefit of mining communities	Other	
SARS			869			
Kgatelopele Local Municipality				456	233	
<b>Total</b>						<b>1,558</b>

Koffiefontein	Expense Type (US\$ thousand) <sup>1,2</sup>					Total
	Corporate taxes	Mining and other license fees	Royalties	Infrastructure and development for the benefit of mining communities	Other	
SARS			112			
Letsemeng Local Municipality				4	74	
<b>Total</b>						<b>190</b>

Kimberley Ekapa Mining Joint Venture	Expense Type (US\$ thousand) <sup>1,2</sup>					Total
	Corporate taxes	Mining and other license fees	Royalties	Infrastructure and development for the benefit of mining communities	Other	
SARS			155			
Sol Plaatjie Local Municipality					390	
<b>Total</b>						<b>545</b>

Williamson	Expense Type (US\$ thousand) <sup>1,2</sup>					Total
	Corporate taxes	Mining and other license fees	Royalties	Infrastructure and development for the benefit of mining communities	Other	
Principal Secretary Ministry of Energy			2,917			
Tanzania Revenue Authority	237				444	
Energy and Water Utilities Authority & Rural Energy Authority					152	
Zonal Mine Officer-Shinyanga		331				
<b>Total</b>						<b>4,081</b>

Petra Diamonds Southern Africa (Pty) Ltd	Expense Type (US\$ thousand) <sup>1,2</sup>					Total
	Corporate taxes	Mining and other license fees	Royalties	Infrastructure and development for the benefit of mining communities	Other	
<i>City of Johannesburg</i>					19	
<b>Total</b>						<b>19</b>

1. Payments are shown in US\$ equivalent amounts for the financial year ending 30 June 2017.
2. Certain financial data have been rounded. As a result of this rounding, the totals of data presented in this document may vary slightly from the actual arithmetical totals of such data.

~ Ends ~

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**About Petra Diamonds Limited**

Petra Diamonds is a leading independent diamond mining group and an increasingly important supplier of rough diamonds to the international market. The Company has interests in five producing operations: three underground mines in South Africa (Finsch, Cullinan and Koffiefontein), the Kimberley Ekapa Mining joint venture (including the Kimberley Underground mine and extensive tailings retreatment operations) and one open pit mine in Tanzania (Williamson). It also maintains an exploration programme in Botswana and South Africa.

Petra has a core objective to steadily increase annual production to 5.0 – 5.3 million from FY 2019 onwards. The Group has a significant resource base in excess of 300 million carats.

Petra conducts all operations according to the highest ethical standards and will only operate in countries which are members of the Kimberley Process. Petra is quoted with a premium listing on the Main Market of the London Stock Exchange under the ticker 'PDL' and is a constituent of the FTSE4Good Index. For more information, visit [www.petradiamonds.com](http://www.petradiamonds.com).